Difficulties Faced by Sugar Industry

4169. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of FOOD AND CONSUMER AFFAIRS be pleased to state:

(a) whether a delegation of sugar industry discussed the difficulties faced by them recently;

(b) if so, the details thereof; and

(c) the measures taken to look into their genuine difficulties?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CONSUMER AFFAIRS (SHRI SATYA PAL SINGH YADAV): (a) to (c) The Indian Sugar Mills Association met the Minister (Food Consumer Affairs) recently and submitted representations on the following two subjects:—

(i) The formula for valuation of free-sale sugar to be purchased from domestic mills for meeting the deficit in levy account; and

(ii) Increase of customs duty on imported sugar;

These representations are under examination in Government.

Enhancement of Levy Sugar, Kerosene, Rice and Wheat Quota to Orissa

4170. SHRI RAHASBIHARI BARIK: Will the Minister of FOOD AND CONSUMER AFFAIRS be pleased to state:

(a) whether the Government of Orissa has urged the Central Government to augment its levy sugar, kerosene, rice and wheat quota; and

(b) if so, the details of the allocation of these items made for the State during the current financial year so far and proposal to enhance the same during the remaining period of the year?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CONSUMER AFFAIRS (SHRI SATYA PAL SINGH YADAV): (a) and (b) The norm for supply of sugar in the Public Distribution System for States/UTs including the State of Orissa is 425 gms per capita based on the 1991 census which is effective from 1.1.1996. The monthly quota for Orissa w.e.f. January, 1996 is 13456 MT. In addition Government also releases about one lakh tonne per annum as a festival quota which is allocated to the States/UTs on a prorata basis linked to their monthly levy quota. The annual festival quota for the State of Orissa is 3730 MT. The request received from Government of Orissa for enhancement of quota of sugar was examined and it was found that the quantity of sugar accruing to the Central Government in the levy account, under the current levy sugar formula, is short of the requirements for the PDS. In these circumstances it has not been found possible to enhance the allocation of sugar under the PDS. The Government of Orissa have been informed of this position.

In so far as kerosene is concerned requests are received from State Governments for additional allocations from time to time. However, on account of constraints of product availability, foreign exchange and heavy subsidy involved, it is not possible to meet fully such demand always. To take care of more deficit States, a very high increase has been given in the annual allocation of kerosene in 1998-99 to the States like Orissa having per capita availability much lower than the national average. Accordingly, a high increase of 32.19% has been effected in the allocation of kerosene to Orissa for the year 1998-99, compared to the 8.58% increase at the country level.

This increase amounts to an additional quantity of 77096 MTs. The per capita availability of kerosene in the State has now increased to 10 kg./annum in 1998-99 from 7.55 kg./annum in 1997-98. The total annual allocation of kerosene to the State for the current financial year, 1998-99 will be 316597 MTs. The monthly